

# VISITOR EXPENDITURES BY CATEGORY

1999 ANNUAL VISITOR RESEARCH REPORT



## VISITOR EXPENDITURES BY CATEGORY

Although total visitor arrivals and visitor days increased in 1999, total visitor expenditures in the State remained about the same at \$10.3 billion for the year. Due to some changes in methodology, the 1999 categories of entertainment, transportation and “all other” spending are not comparable to 1998 data (see footnote on TABLE 49). For categories that are comparable, declines occurred in food and shopping with the others showing some increases.

Lodging showed a 1.8 percent increase. This increase was consistent with slight increases in both the average hotel occupancy rate and the average daily room rate in 1999. Excluding supplemental business spending, lodging accounted for a little more than 30 percent of the total expenditures of visitors.

The overall declines in the food and shopping categories were very modest. However, there was a significant decline in the fashion component of shopping that can partly be attributed to the Japan market.

### Visitor Spending Patterns by Major MMAs

**Domestic U.S. West.** Spending per day for Domestic U.S. West visitors (\$140) declined slightly between 1998 and 1999. The composition of spending shifted noticeably however, with more money allocated to food and shopping and less spent on lodging. Lodging accounted for about one-third of the expenditures of these visitors and shopping about 16 percent. Domestic U.S. West visitors spent more on eating and drinking than on shopping.

**Domestic U.S. East.** Domestic U.S. East visitors spending per day (\$177) increased from 1998 with the composition of spending changing. In contrast to their counterparts from the western states, U.S. East visitors spent more on lodging in 1999 (up 12%). About 38 percent of daily per person spending by U.S. East visitors was on lodging. Shopping for fashion declined by nearly 15 percent to slightly more than \$20 per day.

**International Japanese.** International Japanese visitor spending fell by 12 percent in 1999 but was still a relatively high, \$230 per day. Declines occurred in most categories, but the drop was especially felt in shopping, which makes up more than a third of daily expenditures by this market. Despite the drop in shopping expenditures, the Japanese spent roughly three times as much per day shopping than visitors from the U.S. Japanese daily visitor spending on lodging put that market between the amounts spent by the U.S. West and U.S. East markets. Total per day spending on food for Japanese visitors was similar to the other two major MMAs.

## **Technical Notes**

It must be noted that total lodging expenditures from the visitor surveys are higher than total revenues based on the transient accommodations tax. The lodging expenditures reported by visitors include taxes and tips, and may also include other purchases at the hotel. They also included payments for short-term rent of apartments and houses that may not be covered by the TAT. Timeshare visitors, who do not purchase lodging, were most likely included in condominium visitors, which may slightly overstate total lodging expenditures. Surveys in 2000 included timeshare as an option and should address this overstatement in the future. For both 1999 and 1998, total expenditures take into account the 16 percent of domestic and 9 percent of international visitors who did not stay at hotels during their vacation in Hawaii.

Due to a methodological change in 1999, some of the data are not comparable across categories between 1999 and 1998. In particular, tour packages purchased in Hawaii were not allocated across categories and now appear in the miscellaneous category. Thus the miscellaneous category is relatively high in 1999 as compared to 1998 while other categories, including entertainment and transportation are relatively low. This change is significantly more important in Japanese expenditures where tours are more widely used. Also, subcategories in shopping may have been affected by the inclusion of an "Other Shopping" subcategory in 1999.

**TABLE 49: Visitor Expenditures by Category: 1999 vs. 1998**  
(in millions of dollars)

<b>Expenditure Type</b>	<b>1999 <sup>2/</sup></b>	<b>1998 <sup>2/</sup></b>	<b>% change</b>
<b>GRAND TOTAL</b>	<b>10,279.70</b>	<b>10,309.2</b>	<b>-0.3%</b>
<b>Total Food &amp; Beverage</b>	<b>1,909.8</b>	<b>1,976.5</b>	<b>-3.4%</b>
Food at restaurant	1,235.7	1,205.3	2.5%
Dinner shows	NA	214.4	NA
Dinner or lunch cruise	NA	186.5	NA
Night clubs/bars	NA	88.3	NA
Groceries	NA	282.0	NA
<b>Total Entertainment <sup>1/</sup></b>	<b>642.3</b>	<b>868.4</b>	<b>NC</b>
Attractions	358.2	529.0	NC
Sports	201.0	240.1	NC
Other entertainment	83.1	99.2	NC
<b>Total Transportation <sup>1/</sup></b>	<b>962.5</b>	<b>1,282.0</b>	<b>NC</b>
Inter-island travel	251.0	341.7	NC
Ground transportation	135.4	353.2	NC
Rental vehicles	442.4	383.4	NC
Gasoline	NA	45.8	NA
Parking expense	NA	26.6	NA
Sightseeing tours	NA	131.3	NA
<b>Total Shopping</b>	<b>2,291.4</b>	<b>2,306.3</b>	<b>-0.6%</b>
<b>Total Fashion</b>	<b>1,427.3</b>	<b>1,800.9</b>	<b>-20.7%</b>
Clothing	642.1	788.1	-18.5%
Jewelry and watches	365.8	398.7	-8.3%
Cosmetics and perfumes	70.1	107.4	-34.7%
Leather goods	171.9	370.9	-53.6%
Other fashion items	NA	135.7	NA
<b>Total Agriculture</b>	<b>137.5</b>	<b>153.1</b>	<b>-10.2%</b>
For use in Hawaii	NA	25.7	NA
To bring home	NA	41.2	NA
As gifts for others	NA	86.2	NA
<b>Total Souvenirs</b>	<b>475.2</b>	<b>352.4</b>	<b>34.8%</b>
<b>Total Other shopping</b>	<b>251.5</b>	<b>NA</b>	<b>NA</b>
<b>Total Communications</b>	<b>40.7</b>	<b>37.2</b>	<b>9.6%</b>
<b>Total Personal Services</b>	<b>84.4</b>	<b>73.3</b>	<b>15.2%</b>
Beauty/barber/laundry, etc.	30.4	20.2	50.0%
Sundries/drugs/tips	54.0	53.0	1.9%
<b>Total Lodging</b>	<b>3,093.5</b>	<b>3,037.7</b>	<b>1.8%</b>
<b>All Other/Miscellaneous <sup>1/</sup></b>	<b>819.4</b>	<b>329.0</b>	<b>NC</b>
<b>Supplemental Business Spending</b>	<b>435.7</b>	<b>398.9</b>	<b>9.2%</b>

NC: Not comparable.

1/ Prior to 1999, the value of inter-island tour packages purchased in Hawaii by international visitors was reallocated, mainly to entertainment and transportation. Due to methodological considerations the value of these packages has not been reallocated at this time for 1999 and rather is contained in the "ALL Other/Miscellaneous" category. For this reason the affected categories are not comparable between these two years.

2/ NA (Not applicable) Reflects a change in the questionnaire for 1999.

Source: DBEDT

**TABLE 50: Domestic U.S. West Personal Daily Spending by Category:  
1999 vs. 1998 (in dollars)**

<b>Expenditure Type</b>	<b>1999</b>	<b>1998</b>	<b>% change</b>
<b>GRAND TOTAL</b>	<b>139.8</b>	<b>140.4</b>	<b>-0.4%</b>
<b>Total Food &amp; Beverage</b>	<b>32.3</b>	<b>29.4</b>	<b>10.1%</b>
Food at restaurant	19.8	18.0	10.6%
Dinner shows and cruises	6.0	4.9	22.3%
Dinner shows	3.7	2.9	24.3%
Dinner or lunch cruise	2.4	2.0	19.4%
Night club/bars	2.0	1.3	52.3%
Groceries	4.4	5.2	-14.2%
<b>Total Entertainment</b>	<b>10.7</b>	<b>12.4</b>	<b>-13.6%</b>
Attractions	6.6	7.0	-4.9%
Sports	3.4	4.3	-20.6%
Other entertainment	0.7	1.1	-41.2%
<b>Total Transportation</b>	<b>15.4</b>	<b>21.1</b>	<b>-27.3%</b>
Interisland travel	3.8	5.3	-27.5%
Ground transportation	7.7	6.2	23.8%
Rental vehicles	2.2	8.2	-73.3%
Gasoline	1.0	1.0	-3.5%
Parking expense	0.7	0.5	51.5%
<b>Total Shopping Expenditures</b>	<b>22.5</b>	<b>18.9</b>	<b>19.0%</b>
<b>Total Fashion</b>	<b>15.5</b>	<b>12.4</b>	<b>25.0%</b>
Fashion and clothing	8.7	7.2	20.6%
Clothing (casual)	7.2	6.3	15.0%
Clothing (designer wear)	1.5	0.9	58.8%
Jewelry and watches	4.8	3.3	43.4%
Cosmetics and perfumes	0.2	0.2	4.2%
Leather goods	0.2	0.4	-47.5%
Other fashion items	1.6	1.2	26.6%
<b>Total Agriculture</b>	<b>1.8</b>	<b>1.9</b>	<b>-1.7%</b>
For use in Hawaii	0.4	0.3	26.5%
To bring home	0.5	0.6	-19.8%
As gifts for others	0.9	0.9	0.1%
<b>Total Souvenirs</b>	<b>5.2</b>	<b>4.7</b>	<b>11.4%</b>
<b>Total Communications</b>	<b>0.6</b>	<b>0.5</b>	<b>20.2%</b>
<b>Total Personal Services</b>	<b>1.6</b>	<b>1.1</b>	<b>39.2%</b>
Beauty/barber/laundry, etc.	0.4	0.4	-1.3%
Sundries/drugs/tips	1.1	0.7	64.6%
<b>Total Lodging <sup>1/</sup></b>	<b>46.6</b>	<b>52.8</b>	<b>-11.6%</b>
<b>Tour pak not allocated/Miscellaneous</b>	<b>10.1</b>	<b>4.1</b>	<b>143.8%</b>

1/ This category only applies to visitors staying in hotels and condominiums.

Source: DBEDT

**TABLE 51: Domestic U.S. East Personal Daily Spending by Category:  
1999 vs. 1998 (in dollars)**

<b>Expenditure Type</b>	<b>1999</b>	<b>1998</b>	<b>% change</b>
<b>GRAND TOTAL</b>	<b>176.8</b>	<b>175.5</b>	<b>0.8%</b>
<b>Total Food &amp; Beverage</b>	<b>36.4</b>	<b>35.5</b>	<b>2.5%</b>
Food at restaurant	22.8	21.9	4.1%
Dinner shows and cruises	7.4	7.6	-2.7%
Dinner shows	4.2	3.9	5.2%
Dinner or lunch cruise	3.2	3.7	-11.3%
Night club/bars	2.5	2.1	17.5%
Groceries	3.7	3.9	-4.7%
<b>Total Entertainment</b>	<b>13.9</b>	<b>15.7</b>	<b>-11.2%</b>
Attractions	7.8	9.2	-15.3%
Sports	5.5	5.1	7.6%
Other entertainment	0.7	1.5	-51.1%
<b>Total Transportation</b>	<b>18.2</b>	<b>21.9</b>	<b>-16.7%</b>
Interisland travel	4.6	5.6	-17.0%
Ground transportation	9.2	6.4	43.1%
Rental vehicles	2.5	8.0	-69.2%
Gasoline	1.0	1.1	-9.2%
Parking expense	0.9	0.8	22.2%
<b>Total Shopping Expenditures</b>	<b>28.7</b>	<b>31.7</b>	<b>-9.7%</b>
<b>Total Fashion</b>	<b>20.3</b>	<b>23.8</b>	<b>-14.6%</b>
Fashion and clothing	11.7	14.9	-21.6%
Clothing (casual)	9.7	13.1	-25.7%
Clothing (designer wear)	2.0	1.9	7.1%
Jewelry and watches	6.2	6.1	0.6%
Cosmetics and perfumes	0.3	0.3	8.1%
Leather goods	0.5	0.9	-40.6%
Other fashion items	1.6	1.5	2.9%
<b>Total Agriculture</b>	<b>2.0</b>	<b>1.8</b>	<b>10.9%</b>
For use in Hawaii	0.3	0.3	-19.9%
To bring home	0.7	0.6	21.6%
As gifts for others	1.0	0.9	16.0%
<b>Total Souvenirs</b>	<b>6.4</b>	<b>6.2</b>	<b>3.6%</b>
<b>Total Communications</b>	<b>1.1</b>	<b>0.7</b>	<b>55.5%</b>
<b>Total Personal Services</b>	<b>2.0</b>	<b>1.3</b>	<b>47.9%</b>
Beauty/barber/laundry, etc.	0.9	0.4	152.6%
Sundries/drugs/tips	1.0	1.0	7.3%
<b>Total Lodging <sup>1/</sup></b>	<b>66.1</b>	<b>59.1</b>	<b>11.8%</b>
<b>Tour pak not allocated/Miscellaneous</b>	<b>10.4</b>	<b>9.5</b>	<b>9.6%</b>

1/ This category only applies to visitors staying in hotels and condominiums.

Source: DBEDT

**TABLE 52: International Japanese Personal Daily Spending by Category:  
1999 vs. 1998 (in dollars)**

<b>Expenditure Type</b>	<b>1999 <sup>3/</sup></b>	<b>1998 <sup>3/</sup></b>	<b>% change</b>
<b>GRAND TOTAL</b>	<b>229.9</b>	<b>261.0</b>	<b>-11.9%</b>
<b>Total Food &amp; Beverage</b>	<b>34.1</b>	<b>42.8</b>	<b>-20.4%</b>
Food at restaurant	14.2	26.7	-46.7%
Dinner shows and cruises	9.1	9.4	-2.6%
Dinner shows	NA	4.2	NA
Dinner or lunch cruise	NA	5.1	NA
Night club/bars	NA	0.8	NA
Groceries	3.8	6.0	-37.2%
Other food expenditures	7.0	NA	NA
<b>Total Entertainment <sup>1/</sup></b>	<b>4.4</b>	<b>18.1</b>	<b>NC</b>
Attractions	1.4	10.8	NC
Sports	0.7	4.2	NC
Other entertainment	2.3	3.1	NC
<b>Total Transportation <sup>1/</sup></b>	<b>9.8</b>	<b>25.0</b>	<b>NC</b>
Interisland travel	4.9	7.8	NC
Ground transportation	1.9	14.2	NC
Rental vehicles	2.1	2.8	NC
Gasoline	0.4	0.2	NC
Parking expense	NA	0.1	NA
Other transportation expenditures	0.6	NA	NA
<b>Total Shopping Expenditures</b>	<b>83.2</b>	<b>98.7</b>	<b>-15.7%</b>
<b>Total Fashion <sup>2/</sup></b>	<b>49.1</b>	<b>83.0</b>	<b>-40.9%</b>
Fashion and clothing	21.1	26.3	-19.5%
Clothing (casual)	NA	17.0	NA
Clothing (designer wear)	NA	9.3	NA
Jewelry and watches	9.1	15.2	-40.2%
Cosmetics and perfumes	4.5	7.6	-41.2%
Leather goods	14.4	27.9	-48.6%
Other fashion items	NA	6.0	NA
<b>Total Agriculture</b>	<b>2.7</b>	<b>5.9</b>	<b>-54.1%</b>
For use in Hawaii	NA	0.8	NA
To bring home	NA	1.1	NA
As gifts for others	NA	4.0	NA
<b>Other shopping <sup>2/</sup></b>	<b>15.9</b>	<b>NA</b>	<b>NA</b>
<b>Total Souvenirs</b>	<b>15.5</b>	<b>9.7</b>	<b>59.7%</b>
<b>Total Communications</b>	<b>NA</b>	<b>0.6</b>	<b>NA</b>
<b>Total Personal Services</b>	<b>NA</b>	<b>1.7</b>	<b>NA</b>
Beauty/barber/laundry, etc.	NA	0.2	NA
Sundries/drugs/tips	NA	1.4	NA
<b>Total Lodging</b>	<b>60.3</b>	<b>66.3</b>	<b>-9.0%</b>
<b>Tour pak not allocated/Miscellaneous <sup>1/</sup></b>	<b>38.2</b>	<b>7.9</b>	<b>385.4%</b>

NC: Not comparable.

1/ See footnote on Table 49.

2/ Some of the differences may be due to changes in the questionnaire in 1999.

3/ NA (Not applicable) Reflects a change in the questionnaire for 1999.

Source: DBEDT